

April 28, 2021

Dr. Seth Meyer, Chief Economist
U.S. Department of Agriculture
Room 112-A, Whitten Federal Building
1400 Independence Ave SW
Washington, DC 20250

Docket Number: USDA-2021-0003

Dear Dr. Meyer:

On behalf of the membership of the Hardwood Federation, we appreciate the opportunity to provide comments regarding President Biden's Executive Order on Tackling the Climate Crisis at Home and Abroad. Companies and employees engaged in the U.S. hardwood economy firmly believe that the sustainable forestry practices used to grow our raw materials and the products derived from the harvest of hardwood trees are an essential part of the solution to problems associated with atmospheric carbon sought by the President and his Administration.

The U.S. hardwood sector is a fully integrated industry from logging to the manufacture of finished consumer goods which touch upon every aspect of American life including flooring, cabinets, furniture and moldings in our homes. Tissue and paper supplies are made of residual chips and dust from hardwood mills. Industrial mats, shipping pallets and railway ties made from low grade hardwood lumber are crucial to America's vast transportation infrastructure. The majority of these jobs are in rural areas and are essential to the local economies. **Strengthening and expanding the domestic and international markets for U.S. hardwood products is key to both maintaining the health of our public and private forestlands and to reducing the levels of carbon in our atmosphere.**

American hardwoods support carbon storage and sequestration. Hardwoods reduce and store carbon throughout their life cycle, from growth, to standing, to use in forest products, aiding the world's climate. Demand for American hardwood finished goods promotes healthy forests, protects water resources, and supports critical habitat and wildlife diversity, while also producing safe and environmentally conscious products that create economic and employment opportunities for our rural communities and supply chains. When there is a steady demand for fiber and the resulting wood products, hardwood operations ensure that forests will remain as forests in the future and are a key element of increasing carbon sequestration levels.

The Biden Administration and Congressional Leaders publicly acknowledge that the American forest system is vital to reducing atmospheric carbon, offsetting 12-15% of U.S. carbon emissions each year¹.

¹National Alliance of Forest Owners. Forests and Climate Change for Policymakers 101.
<https://nafoalliance.org/forests-and-climate-change-for-policymakers-101/>

Hardwoods are officially recognized by the U.S. Department of Agriculture (USDA) via Congressional Act as a Green and Renewable product that is sustainably managed and is an environmentally preferred natural resource.

It is important to recognize that the carbon benefits of the forests do not end with tree growth. Markets for products derived from trees are an important piece of the solution as well. Wood products make up 47% of all industrial materials in the U.S. but consume only 4% of the total energy to manufacture those materials. Making products from aluminum, glass, plastic, cement, or brick can require as much as 126 times more energy than making them from wood². In addition, wood products are 50% carbon by weight, continuing to store carbon for the life of the product³.

The Hardwood Federation recommends the following to USDA as the Department works to develop policies and practices to meet the goals outlined in the President's Executive Order:

USDA Should Implement Policies That Include the Carbon Benefits of Wood Products in Carbon Accounting Programs

- Include and recognize the long-term storage value and carbon benefits of wood products, including hardwood products, in carbon reduction policies and legislation.
- Develop and enact carbon reduction policies that rely on scientific, consensus-based carbon accounting and life-cycle assessment standards of wood and wood products.
- Develop and enact policies that support innovative building codes and standards at the state and federal levels and that recognize the carbon benefits of wood building materials.

USDA Should Maintain and Expand Current Programs that Support International and Domestic Markets of U.S. Hardwood Products

- Enact policies that support and provide funding to promote and foster strong domestic markets for U.S. hardwood and hardwood products including new dollars for the Forest Products Laboratory to research the environmental and home health benefits of hardwood products.
- Increase funding for the Forest Products Lab to further research and develop data related to the carbon sequestration of hardwood products.
- Support public and private green building initiatives by extending a sustainable tax credit to building and construction projects, including U.S. wood products used in these projects.
- Develop and fund demonstration projects that showcase the beauty, energy efficiency and sustainability of hardwood building materials and products.
- Maintain existing tax benefits for forestland owners including capital gains treatment for standing timber and credits for reforestation.
- Increase government purchases of U.S. structural and finished wood products for federal building and transportation projects and for U.S. military truck beds.
- Enter into international agreements that promote free and fair global trade systems and grow the demand for U.S. hardwoods around the world.

²Michigan State University College of Agriculture & Natural Resources. Facing the Facts. <https://www.canr.msu.edu/news/facing-the-facts>

³ WoodWorks. Carbon Footprint. <https://www.woodworks.org/why-wood/carbon-footprint>

- Maintain and increase USDA funding that supports growing global markets for U.S. hardwood and hardwood products, specifically USDA's Foreign Market Development Program and Market Access Program.
- Fully fund and enforce the Lacey Act which was amended in 2008 to combat illegal logging around the globe.

USDA Should Support a Healthy Federal Forest System with Sustainable Management Practices Including Increased Timber Harvest Program Dollars

- Publicly recognize the positive relationship between markets for wood products and the health of the U.S. forest system. Numerous comprehensive studies, including those conducted by the U.S. Forest Products Laboratory, quantify the carbon storage benefits of wood products and their relationship to forest health⁴.
- Build upon, expand, and update existing U.S. Forest Products Laboratory research related to the carbon storage benefits of wood products and wood product markets.
- Undertake research to compare management practices on federal, state, tribal and federal lands to understand, quantify and replicate management practices that lead to healthy forests, including fire resistance, wildlife and forest species diversity and economic and recreational benefits.
- Maintain and expand U.S. Forest Service partnership programs with state and local jurisdictions, including the Good Neighbor Authority and Stewardship Contracting, which help ensure both forest and local economic health.
- Support the U.S. Forest Service's efforts to meet and exceed timber harvest goals on federal lands.
- Fund timber harvest programs with line-item budget practices so there is certainty within and outside the agency.
- Pursue further reform of the National Environmental Policy Act (NEPA) to streamline sustainable management practices and increase stability and certainty to the process.
- Fund and expand maintenance of the forest road system to provide access for firefighting efforts as well as sustainable harvest activities.
- Recognize the benefits and fully fund programs that support active forest management on federal and private forest lands including sustainable timber harvest, restoration, maintenance of forest roads and fire prevention. These programs are vital to the health and sustainability of not only the forests themselves, but also the surrounding communities.

Consult the Hardwood Industry on Policy and Legislative Initiatives

- Recognize the benefits the hardwood industry to the rural economy and take action to support the entire supply chain.
- Include members of the hardwood industry in USDA advisory panels, task forces and working groups to ensure that their interests are represented.

⁴ Loeffler, D. et al. (2014). *Estimates of Carbon Stored in Harvested Wood Products from United States Forest Service* (Multiple Regions). U.S. Department of Agriculture, Forest Service, Rocky Mountain Research Station, Forestry Sciences Laboratory.

The Hardwood industry, along with the rest of the wood products sector, is proud of our environmentally friendly business model and urge that the sustainability of American hardwoods and hardwood products should be celebrated and recognized as part of the solution to the changing climate.

Again, we appreciate the opportunity to provide you with our insight and recommendations. We look forward to working with the Biden Administration and USDA as they move forward. Please do not hesitate to contact the Hardwood Federation if you have further questions.

Sincerely,



Dana Lee Cole
Executive Director